

Hearing Date: September 23, 2020 at 11:00 a.m.

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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----x	Chapter 7 (Previous 11)
In re:	:
	:
	Case No. 19-11711 (SCC)
The D&M Capital Group, LLC,	:
	:
Debtor.	:
-----x	

**RESPONSE TO MOTION OF RADWAN DIAMOND & JEWELLERY TRADING TO  
LIFT THE AUTOMATIC STAY TO ALLOW SETOFF OF MUTUAL PREPETITION  
DEBTS OR ALTERNATIVELY FOR RECOUPMENT**

Global Gems, Inc. (“**Global**”), a party in interest, files this response to the Motion of Radwan Diamond & Jewellery Trading (“**Radwan**”) to Lift the Automatic Stay to Allow Setoff of Mutual Prepetition Debtor or Alternatively for Recoupment (“**Motion**”).

Global has no objection to the relief sought by Radwan. Global files this response to the Motion in order to clarify the ownership interests in certain of the jewelry and loose diamonds listed on Exhibit A to the Motion. Specifically, Global owns a 25% interest in three of the items of jewelry and twelve of the loose stones listed on Exhibit A, the Debtor owns a 25% interest in

those items, and Radwan owns a 50% interest in those items. These ownership interests are set forth in the **Revised Exhibit A** attached hereto. Attached hereto as **Exhibit B** are “Partnership Shares Reports” provided to Global by the Debtor setting forth in detail the ownership interests held by the Debtor, Global, and Radwan as reflected in Revised Exhibit A.

Global submits this response to correct the record with respect to the ownership of items listed in Exhibit A to the Motion.

Respectfully submitted, this 16<sup>th</sup> day of September, 2020.

MCGRAIL & BENSINGER LLP

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*Attorneys for Global Gems, Inc.*

**AFFIDAVIT OF ROBERT BRESKA**

I, Robert Breska, having been duly sworn, state as follows:

1. I am over eighteen years of age and competent to give this affidavit. I have personal knowledge of the matters stated herein and, if called as a witness, would competently testify thereto.

2. I am the President of Global Gems, Inc., a Florida corporation ("**Global**"), and I am the sole owner of all of the outstanding shares of Global. I have operated Global for over 30 years. I am personally involved in all of the business affairs of Global.

3. I have reviewed the attached **Revised Exhibit A** referred to in Global's foregoing response ("**Response**") to the Motion of Radwan Diamond & Jewellery Trading ("**Radwan**") to Lift the Automatic Stay to Allow Setoff of Mutual Prepetition Debtor or Alternatively for Recoupment ("**Motion**"). Revised Exhibit A accurately sets forth those items of jewelry and loose stones that are jointly owned by the Debtor, The D&M Capital Group, LLC, Radwan, and Global. For each item, the Debtor owns a 25% interest, Global owns a 25% interest, and Radwan owns a 50% interest.

4. I have reviewed the documents that comprise **Exhibit B** attached hereto. The documents that comprise Exhibit B are Open Partnership Shares Reports created by the Debtor and sent to Global and Radwan to document the ownership interests of the Debtor, Global, and Radwan in certain items of jewelry, as well as the loose stones, mountings, and other items that comprise particular items of jewelry to be created by the Debtor. The documents that comprise Exhibit B are placed by me in a file maintained by Global to document its partnership interests with the Debtor and Radwan. The documents that comprise Exhibit B are placed in the file

immediately upon receipt and are relied upon by me in the ordinary course of the business of Global. It is the business of Global to maintain documents such as those that comprise Exhibit B in order to document its partnership interests with the Debtor and other third parties.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

This 16<sup>th</sup> day of September, 2020.

By: Robert Breska  
Robert Breska

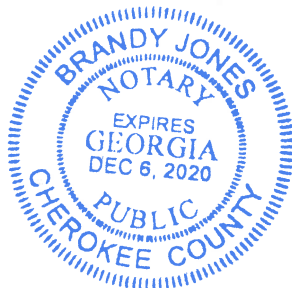
Sworn to before me on this \_\_\_\_  
day of September, 2020

Brandy Jones  
Notary Public

My Commission Expires:

12/6/20

[AFFIX NOTARIAL SEAL]



**EXHIBIT A**

**LIST OF JEWELRY AND ITEMS THAT RADWAN AND D&M HAVE INVESTED IN THROUGH JOINT VENTURE (IN THE DIRECT OR INDIRECT CONTROL OF RADWAN)**

	FAIR MARKET VALUE		VALUE OF D&M'S PARTICIPATION INTEREST	
<b>JEWELRY</b>				
1 A PAIR OF EARRINGS	\$ 206,500.00	50%	\$ 103,250.00	
2 SAPPHIRE : 47.14				
CTS. 2 CUSH : 4.03 CTS.				
2 A PAIR OF EARRINGS	\$ 260,000.00	50%	\$ 130,000.00	25% Global
4 P/S FY : 27.84 CTS.				
3 DIAMOND NECKLACE	\$ 1,100,000.00	50%	\$ 550,000.00	25% Global
29 P/S FY & FLY : 126.09 CTS.				
4 YELLOW DIAMOND RING	\$ 340,000.00	50%	\$ 170,000.00	25% Global
3 P/S FLY : 24.56 CTS.				
1 KASHMIRE SAPPHIRE : 23.38 CTS.				
2 BLT DIAMOND : 1.72 CTS.				
5 DIAMOND & RUBY RING	\$ 1,750,000.00	50%	\$ 875,000.00	
1 BURMA RUBY : 28.59 CTS.				
2 P/S DIAMONDS : 4.02 CTS.				
1 P/S FDOP : 10.51 CTS.				
2 H/S DIAMONDS : 1.81 CTS.				
	\$ 3,656,500.00		\$ 1,828,250.00	
<b>LOOSE DIAMONDS</b>				
1 4.73 CTS P/S FLY IF	\$ 18,920.00	50%	\$ 9,460.00	25% Global
2 9.12 CTS P/S FLY SI2	\$ 50,160.00	50%	\$ 25,080.00	25% Global
3 1.88 CTS P/S Y-Z VS1	\$ 3,384.00	50%	\$ 1,692.00	25% Global
4 7.60 CTS FLY VS2	\$ 41,800.00	50%	\$ 20,900.00	25% Global
5 5.40 CTS P/S FLY VVS1	\$ 24,300.00	50%	\$ 12,150.00	25% Global
6 5.48 CTS P/S FLY SI1	\$ 21,920.00	50%	\$ 10,960.00	25% Global
7 8.02 CTS P/S FLY VS2	\$ 44,110.00	50%	\$ 22,055.00	25% Global
8 14.00 CTS P/S FLY	\$ 112,000.00	50%	\$ 56,000.00	25% Global
9 8.17 CTS FLY SI1	\$ 44,935.00	50%	\$ 22,467.50	25% Global
10 2.40 CTS P/S FLY VS1	\$ 7,200.00	50%	\$ 3,600.00	25% Global
11 2.68 CTS P/S FLY VS2	\$ 8,040.00	50%	\$ 4,020.00	25% Global
12 2.12 CTS P/S FLY VS2	\$ 6,360.00	50%	\$ 3,180.00	25% Global
13 15.16 CTS CUSH FY VS1	\$ 212,240.00	33%	\$ 70,746.67	
14 10.98 CTS CUSH FY VS2	\$ 93,330.00	33%	\$ 31,110.00	
15 10.44 CTS CUSH FY VS1	\$ 88,740.00	33%	\$ 29,580.00	
16 2.26 CTS TRIA J SI1	\$ 4,520.00	50%	\$ 2,260.00	
17 2.36 CTS TRIA J SI2	\$ 4,720.00	50%	\$ 2,360.00	
	\$ 786,679.00		\$ 327,621.17	
<b>MOUNTINGS</b>				
1 YELLOW GOLD WITH YELLOW PAVE	\$ 2,000.00	50%	\$ 1,000.00	
2 PLAT RING WITH 2 TAP	\$ 10,000.00	50%	\$ 5,000.00	
3 PLAT RING WITH 2 TAP : 0.70 CTS	\$ 1,500.00	50%	\$ 750.00	
4 18 K RING FOR 2 TRIA	\$ 700.00	50%	\$ 350.00	
5 RING 2 P/S : 1.22 CTS	\$ 1,000.00	50%	\$ 500.00	
6 GOLD RING	\$ 500.00	50%	\$ 250.00	
7 PLAT RING 2 DIA : 020 CTS	\$ 3,000.00	50%	\$ 1,500.00	
8 PLAT & GOLD RING 10 BR DIA :0.30 CTS	\$ 2,000.00	50%	\$ 1,000.00	
9 PLAT RING 10 DIA : 0.10 CTS	\$ 2,800.00	50%	\$ 1,400.00	
10 RING	\$ 1,000.00	33%	\$ 333.33	
11 RING WITH 2 DIAM BGTS : 0.40 CTS	\$ 700.00	50%	\$ 350.00	
12 PLAT RING WITH 2 DIA BUL : 1.08 CTS	\$ 6,532.00	50%	\$ 3,266.00	
13 PLAT & Y G RING 2 TRAP : 1.49 CTS	\$ 2,965.00	50%	\$ 1,482.50	
14 PLAT & Y G RING 2 TRAP : 0.40 CTS	\$ 1,500.00	33%	\$ 500.00	
	\$ 36,197.00		\$ 17,681.83	
GRAND TOTAL	\$ 4,479,376.00		\$ 2,173,553.00	

**CERTIFICATE OF SERVICE**

I hereby certify that, on September 16, 2020, a true and correct copy of the foregoing was served via the ECF system and upon the parties on the attached mailing matrix via United States Mail, first class, postage prepaid.

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